

**§ 159-105. Approval of application by Commission.**

(a) In determining whether to approve a proposed project development financing debt instrument issue, the Commission may inquire into and consider any matters that it considers relevant to whether the issue should be approved, including:

- (1) Whether the projects to be financed from the proceeds of the project development financing debt instrument issue are necessary to secure significant new project development for a development financing district.
- (2) Whether the proposed projects are feasible. In making this determination, the Commission may consider any additional security such as credit enhancement, insurance, or guaranties.
- (3) The unit of local government's debt management procedures and policies.
- (4) Whether the unit is in default in any of its debt service obligations.
- (5) Whether the private development forecast in the development financing plan would likely occur without the public project or projects to be financed by the project development financing debt instruments.
- (6) Whether taxes on the incremental valuation accruing to the development financing district, together with any other revenues available under G.S. 159-110, will be sufficient to service the proposed project development financing debt instruments.
- (7) The ability of the Commission to market the proposed project development financing debt instruments at reasonable rates of interest.

(b) The Commission shall approve the application if, upon the information and evidence it receives, it finds all of the following:

- (1) The proposed project development financing debt instrument issue is necessary to secure significant new economic development for a development financing district.
- (2) The amount of the proposed project development financing debt is adequate and not excessive for the proposed purpose of the issue.
- (3) The proposed projects are feasible. In making this determination, the Commission may consider any additional security such as credit enhancement, insurance, or guaranties.
- (4) The unit of local government's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law.
- (5) The private development forecast in the development financing plan would not be likely to occur without the public projects to be financed by the project development financing debt instruments.
- (6) The proposed project development financing debt instruments can be marketed at reasonable interest cost to the issuing unit.
- (7) The issuing unit has, pursuant to G.S. 160A-515.1 or G.S. 158-7.3, adopted a development financing plan for the development financing district for which the instruments are to be issued. (2003-403, s. 2.)